



**Project GPP-STREAM “Green Public Procurement and Sustainability Tools for
Resource Efficiency Mainstreaming”**

**RECOMMENDATIONS ON THE ADOPTION
OF A NATIONAL GPP PLAN**

ACTIVITY: POLICY BRIEF

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Contents

1. Overview	3
2. Introduction	5
3. Policy Context	5
4. The way forward	7
5. Sources of Information	8



1. Overview

RELEVANCE OF THE TOPIC

The society we live today depends more and more on natural resources and energy flows that sustain the economic process, but we have to live within the limits of our Planet, we have to reduce the natural resource consumption, to reduce waste and chemicals. To reach this goal it is necessary to modify our production and consumption patterns. This is the main objective of every action plan for sustainable development.

This is why the GPP national action plan has a great potential to play a very strategic role within the framework of the strategies for sustainable development of a National Administration. The purchase of goods and services with reduced environmental impact may be made functional for reaching specific environmental protection objectives (for example, reduction of energy consumption, reduction of waste production, etc.) in addition to provide an important contribution to the achievement of sustainability goals defined in the framework of national policies and have a significant influence also on suppliers of goods and services, thus on the dissemination of environmental technologies.

Public authorities are major consumers in each country by spending a lot of money for their purchasing. By using their purchasing power to choose goods and services with lower impacts on the environment, they can make an important contribution to sustainable consumption and production.

By promoting and using GPP, and through setting up of the goals and targets within the GPP national action plan, public authorities can provide industry with real incentives for developing green technologies and products. The GPP approach is an instrument for containing public spending because it tracks the cost of producing an asset and its entire life cycle. In this context the action plan represents a clearly way to achieve this approach.

The relevance of this topic consists in the main goal of the GPP for integrated environmental considerations into the procurement process of public authorities from national to local level, and to guide their choices of goods and services that have the minimum environmental impact.

The integration of environmental aspects in the procurement processes is based on an overall vision of the whole life cycle, and the integration of the aspects regarding design, production, use and disposal and also the actual costs to the community.

The national action plans (NAPs), will provide political impetus to the process of implementing and raising awareness of greener public procurement and they allow national and regional administrations to choose this options which will contribute to the achievement of their objectives and will allow the development of the green products market.



SOURCE OF INSPIRATION

The idea of this topic for the policy brief comes from the necessity of the improvement of existing sectoral policies plans and strategies (climate targets plans, circular economy plans, Regional Development Plans, Local Development Strategies) and the promotion of existing plans from the national level to the local level by increasing awareness and through training relevant stakeholders involved in the implementation of GPP process. First of all, the participation in the project “GPPbest - Exchange of good practices and strategic tools for green public procurement” [LIFE14 GIE / IT / 000812], funded by the LIFE Program, “Governance and information” axis (www.gppbest.eu) has been pivotal in defining the document. The project is implemented from 2016 to 2018 by the Ministry of Environment of Romania, the regions of Sardinia, Lazio and the Ecosystem Foundation of Italy, being coordinated by the Basilicata Region. By participating in GPPbest, the Ministry of Environment aims to encourage VPAs due to the positive impact they can have on the development and application of clean and environmentally friendly technologies, accelerating the transition to the low-carbon circular economy.

The participation to the GPP Advisory Group of the European Commission played also a crucial role in developing the following document. Within the meeting COM presented several policy and initiatives and developments on GPP-related activities from members of the group, into different events.

Moreover, another source of inspiration are the initiatives of The European Green Deal- Farm to Fork strategy and GPP. The European Commission published the Farm to Fork Strategy on 20.05.2020. The Strategy includes in its action plan to Determine the best modalities for setting minimum mandatory criteria for sustainable food procurement to promote healthy and sustainable diets, including organic products, in schools and public institutions. In this regard, GPP can be an important instrument and a market lever which could enhance the results made possible by the synergetic use of the set of other instruments.

Other important topic is the initiative of Consumer policy. Strengthening the role of consumers in the green transition and helping consumers play their contribution in achieving the green transition, represents the key goal of the EU consumer policy revision. This initiative aims to ensure that consumers obtain reliable & useful information on products (e.g. on their lifespan and repair options), and to prevent overstated environmental information (‘greenwashing’) and sale of products with a covertly shortened lifespan.

The National Action Plan (NAP) have to take into consideration the internationally-recognized social aspects included in the 2030 Agenda for Sustainable Development. In order to ensure relevance and contribution towards tackling various environmental problems it is necessary to introduce and periodically update the environmental criteria of public procurements, pursuing the objective of reducing the environmental impact of goods and services.



2. Introduction

The Green Public Procurement policies encourage governments to apply EU green procurement criteria. However, the level of transposition of the EU GPP criteria and applicability of the EU GPP criteria within the national Strategies, platforms and guidance documents is different among UE countries.

In this way the enforcement of mandatory participation, the establishment of technical specifications and the application of suitability and award criteria are reflected in European Plans and Strategies, and are crucial to build a link between different GPP criteria at European and national level. Harnessing the huge potential of the government will not only help convert the market to a greener market with substantial benefits for the environment, but also improve the socio-economy status of communities.

The adoption of the plan is inspired by the logic that authorities have to lead by example in transforming the market. Numerous GPP best practice exist to integrate green practices harmoniously into the existing procurement processes. Green procuring will become the rule for an increasing number of commonly and non-commonly used supplies and equipment, through a circumspect approach that reflects issues and concerns such as value for money, suppliers' readiness, capacity and awareness.

THE NATIONAL ACTION PLAN SHOULD CONTAIN:

- the political commitment of the national authority (including the scope, goals and targets set), to be defined in the GPP policy (e.g. in the Romanian GPP Law – 69/2016 the political commitment of the Ministry of Environment, Waters and Forests that is national authority who is in charge with GPP policy). The overall Action Plan should also include the communication activities setting feasible and attainable specific goals;
- a description of the actions to be implemented. The actions that should be covered by the Action Plan for achieving the goals and the targets setting up by the authority;
- a description of the assigned responsibilities;
- the defined targets;
- a timeframe.

3. Policy Context

According to the National Institute of Statistics, in Romania, the public procurement represents 20% of GDP, more than the EU average (it is 16%). Romanian public administration focuses on choosing environmental friendly goods and services by reducing their impact and save resources, and by contributing to sustainable development process. In order to improve the legal framework on public



procurement, since April 2016, Romania has a green public procurement law (The Law no. 69/2016 on green public procurement) and the Ministry of Environment is in charge for elaborating the national policy on GPP.

The Law on green public procurement which among other things aims to develop the internal market of green goods, services, works and encourages the development of clean and environmental friendly technologies. In addition to the environmental protection and sustainable development, the law is promoting sustainable consumption and production and resource efficiency.

The Law provides a guide that includes minimum criteria for environmental protection for goods and services, the standard specifications and the need for a Multi-annual Action Plan on green public procurement at national level and a National Action Plan on Green Public Procurement, which should include annual targets for green public procurements.

The relevant factors for public procurement decisions at the local level (for Romania it is not characteristic the regional level, but only national and local level) are the following: the price-quality ratio (the most important factor) followed by initial price, life-cycle cost, impact on environment, previous experiences, stimulation of businesses from the locality.

THE MOST IMPORTANT FACTORS THAT MAKE DIFFICULT THE IMPLEMENTATION OF GPP POLICY ARE:

- The lack of specific knowledge and a general lack of interest in the topic. The familiarity with the specific national and European Union regulatory frameworks it is quite low.
- The lack of specific professional training.
- The low digitalization level of the local administrations in Romania, and the lack of a database or contacts occupying relevant positions in target institutions.
- The higher cost of GPP and the fact that companies cannot provide the required green goods and services.
- The complexity of the regulatory framework, or the increased duration of the procedures.

In order to stimulate the approach of environmental consideration in the public procurement processes of the institutions, we have to have information about the manner in which environmental requirements can be included in the procurement procedures and for information about specific legal requirements.

In term of GPP decisions, these choices are made by the public procurement department of the institution or by the local council, and the decision-maker is the mayor/manager of the institution.

Moving to the national level, **the key challenges to the implementation of GPP policies** that have been identified are the following:



- Lack of political support is a meaningful barrier to broader implementation of GPP. The policy makers within the institutions of public administration at the national level do not have a high degree of awareness of the importance of the GPP policies;
- General perception that green products and services cost more. A key challenge identified by public sector organizations is changing behavior of consumers and buyers (including the experts within purchasing departments of public authorities). Application of environmental criteria to procurement procedures can give higher initial purchasing costs, but in fact the overall costs often actually decrease since the higher purchasing prices of green goods and services are compensated for by lower operating and maintenance costs. In many cases GPP does not increase costs (e.g. using Life-Cycle Costing (LCC), on the contrary can actually help the organization to cut costs;
- Lack of information regarding the best practices;
- Lack of education awareness and training regarding the application of the life-cycle costing concept;
- Lack of technical understanding in applying environmental criteria. For many product and service groups, public authorities do not have access to clear and verifiable criteria which allow them to incorporate environmental considerations into their tendering;
- Lack of inter-ministerial cooperation between regarding mainstreaming environmental policies in the sectoral policies at the national level;
- The lack of coordinated exchange of practical tools and networking between authorities;
- Lack of expertise in identifying environmental criteria.

4. The way forward

Recommendations and potential actions identified and which could be put in place at regional and local level, are the following:

- Involving of the GPP stakeholders at local level;
- It is necessary to improve the promotion of the National Plan on GPP and the Green Public Procurement guidelines which include the minimum requirements regarding the environmental protection for certain groups of products and services that are required at the level of technical specifications at the territorial level;
- To disseminate the knowledge of the GPP to the local public authorities and to other local public bodies through the provision of information and exchange of good practices, including raising awareness of citizens and business, regarding the benefits of the introduction of circular economy principles and the role of GPP;
- Increasing the number of green practices in Public Procurements by using environmental criteria in the contracts of the local public authorities;



- Dissemination of knowledge of the GPP in local public authorities and other public bodies through the provision of information and exchanging of good practices;
- Providing guidance for local public authorities on the application of the GPP through the dissemination of instruments for the wider promotion of greener goods, services and contracts of works.

The Action Plan could contribute to a better understanding of the GPP topic among all staff of suppliers and buyers (within the public administration) through the following points:

- Measures to raising awareness for all staff of suppliers and purchasers, possibly through seminars, in-house newsletters, the authority's intranet.
- We have to use the opportunity to use training and information dissemination as tools for improving the understanding of the meaning and importance of green public procurement, particularly at the level of communes.
- Through the communication, to staff of suppliers and purchasers, of the intentions to be taken more in time as well as the actual procurement, providing the time and information to adjust to new requirements, including perhaps hosting seminars. Holding such training sessions can help to prepare suppliers for responding to new environmental demands, for example by sourcing appropriate product ranges, and thus increasing innovation.
- Measures of marketing that aimed at the general public without having a direct impact on the success of internal GPP activities. By this way, the public authorities, in a strong position to "lead by example", can help to encourage private consumers to think about the environmental consequences.

5. Sources of Information

Informational sources are:

- Other Interreg Europe policy briefs
- Other national and European GPP best practices

This policy brief is provided by
Ministry of Environment, Waters and Forests
of Republic of Romania





For more information about GPP-STREAM project visit:

<https://www.interregeurope.eu/gpp-stream/>

